

104TH CONGRESS  
2D SESSION

# H. R. 4198

To authorize a new trade and investment policy for sub-Saharan Africa.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 26, 1996

Mr. CRANE (for himself, Mr. RANGEL, and Mr. McDERMOTT) introduced the following bill; which was referred to the Committee on International Relations, and in addition to the Committees on Ways and Means, and Banking and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To authorize a new trade and investment policy for sub-Saharan Africa.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “African Growth and  
5       Opportunity: The End of Dependency Act of 1996”.

6       **SEC. 2. FINDINGS.**

7       The Congress finds that it is in the mutual economic  
8       interest of the United States and sub-Saharan Africa to  
9       expand their trade and investment relationship and to

1 build a market-oriented transition path for sub-Saharan  
2 Africa from dependency on foreign assistance to economic  
3 self-sufficiency by—

4 (1) strengthening and expanding the private  
5 sector in sub-Saharan Africa;

6 (2) encouraging increased trade and investment  
7 between the United States and sub-Saharan Africa;

8 (3) reducing tariff and nontariff barriers and  
9 other trade obstacles;

10 (4) expanding United States assistance to sub-  
11 Saharan Africa's regional integration efforts;

12 (5) negotiating free trade areas;

13 (6) establishing a United States-Sub-Saharan  
14 Africa Trade and Investment Partnership;

15 (7) focusing on countries committed to eco-  
16 nomic reform;

17 (8) establishing a United States-Sub-Saharan  
18 Africa Economic Cooperation Forum; and

19 (9) continuing to support development assist-  
20 ance for those countries in sub-Saharan Africa at-  
21 tempting to build civil societies.

22 **SEC. 3. STATEMENT OF POLICY.**

23 The Congress supports the creation of a transition  
24 path from development assistance to economic self-suffi-  
25 ciency for those sub-Saharan African countries committed

1 to economic and political reform, market incentives, and  
2 private sector growth and poverty reduction.

3 **SEC. 4. ELIGIBILITY REQUIREMENTS.**

4 (a) IN GENERAL.—A sub-Saharan African country  
5 shall be eligible to participate in programs, projects, or  
6 activities, or receive assistance or other benefits under this  
7 Act for a fiscal year only if the President determines that,  
8 with respect to that fiscal year, the country has estab-  
9 lished, or is making continual progress toward establish-  
10 ing, a market-based economy, including the establishment  
11 and enforcement of appropriate policies relating to—

12 (1) trade issues, such as protection of intellec-  
13 tual property rights, improvements in standards,  
14 testing, labeling and certification, and government  
15 procurement;

16 (2) the protection of property rights, such as  
17 protection against expropriation and a functioning  
18 and fair judicial system;

19 (3) tax issues, such as reducing high import  
20 and corporate taxes, controlling government con-  
21 sumption, and participation in bilateral investment  
22 treaties;

23 (4) foreign investment issues, such as imple-  
24 menting measures to attract foreign investors and  
25 supporting the growth of regional markets;

(5) regulatory issues, such as eliminating government corruption, minimizing government intervention in the market, and supporting the growth of the private sector; and

(6) the private ownership of government-controlled economic enterprises.

(b) CONTINUING COMPLIANCE.—

(1) MONITOR AND REVIEW OF CERTAIN COUNTRIES.—It is the sense of the Congress that the President—

(A) should monitor and review on an annual basis the progress of those sub-Saharan African countries that have been determined to be eligible under subsection (a) but are in need of making continual progress in meeting one or more of the requirements of such subsection; and

(B) should transmit to the Congress annually a report on the eligibility criteria and eligibility ranking of each country in sub-Saharan Africa.

(2) INELIGIBILITY OF CERTAIN COUNTRIES.—It is further the sense of the Congress that a sub-Saharan African country described in paragraph (1) that has not made continual progress in meeting the

1 requirements in which it is not in compliance should  
2 be ineligible to participate in programs, projects, or  
3 activities, or receive assistance or other benefits,  
4 under this Act.

5 **SEC. 5. ADDITIONAL AUTHORITIES AND INCREASED FLEXI-**  
6 **BILITY TO PROVIDE ASSISTANCE UNDER THE**  
7 **DEVELOPMENT FUND FOR AFRICA.**

8 (a) DECLARATIONS OF POLICY.—The Congress  
9 makes the following declarations:

10 (1) The Development Fund for Africa estab-  
11 lished under chapter 10 of part I of the Foreign As-  
12 sistance Act of 1961 (22 U.S.C. 2293 et seq.) has  
13 been an effective tool in providing development as-  
14 sistance to sub-Saharan Africa since 1988.

15 (2) The Development Fund for Africa will com-  
16 plement the other provisions of this Act and lay a  
17 foundation for increased trade and investment op-  
18 portunities between the United States and sub-Saha-  
19 ran Africa.

20 (3) Assistance provided through the Develop-  
21 ment Fund for Africa will continue to support pro-  
22 grams and activities that promote the long term eco-  
23 nomic development of sub-Saharan Africa, such as  
24 programs and activities relating to the following:

1 (A) Strengthening primary and vocational  
2 education systems.

3 (B) Strengthening health care systems.

4 (C) Strengthening family planning service  
5 delivery systems.

6 (D) Supporting democratization, good gov-  
7 ernance and civil society and conflict resolution  
8 efforts.

9 (E) Increasing food security by increasing  
10 agricultural production and productivity and in-  
11 creasing real incomes for poor individuals.

12 (F) Promoting an enabling environment  
13 for private sector-led growth through economic  
14 reform, privatization, and market economic ac-  
15 tivities.

16 (G) Promoting decentralization and local  
17 participation in the development process.

18 (H) Increasing the technical and manage-  
19 rial capacity of sub-Saharan African individuals  
20 to manage the economy of sub-Saharan Africa.

21 (I) Ensuring sustainable economic growth  
22 through environmental protection.

23 (4) The African Development Foundation has a  
24 unique congressional mandate to empower the poor  
25 to participate fully in development and to increase

1 opportunities for gainful employment, poverty allevi-  
2 ation, and more equitable income distribution in sub-  
3 Saharan Africa. The African Development Founda-  
4 tion has worked successfully to enhance the role of  
5 women as agents of change, strengthen the informal  
6 sector with an emphasis on supporting micro and  
7 small sized enterprises, indigenous technologies, and  
8 mobilizing local financing. The African Development  
9 Foundation should develop and implement strategies  
10 for promoting participation of grassroots and infor-  
11 mal sector groups such as cooperatives, artisans, and  
12 traders into the programs and initiatives established  
13 under this Act.

14 (b) ADDITIONAL AUTHORITIES.—

15 (1) IN GENERAL.—Section 496(h) of the For-  
16 eign Assistance Act of 1961 (22 U.S.C. 2293(h)) is  
17 amended—

18 (A) by redesignating paragraph (3) as  
19 paragraph (4); and

20 (B) by inserting after paragraph (2) the  
21 following:

22 “(3) DEMOCRATIZATION AND CONFLICT RESO-  
23 LUTION CAPABILITIES.—Assistance under this sec-  
24 tion may also include program assistance—

1           “(A) to promote democratization, good  
2           governance, and strong civil societies in sub-Sa-  
3           haran Africa; and

4           “(B) to strengthen conflict resolution capa-  
5           bilities of governmental and nongovernmental  
6           entities in sub-Saharan Africa.”.

7           (2) CONFORMING AMENDMENT.—Section  
8           496(h)(4) of such Act, as amended by paragraph  
9           (1), is further amended by striking “paragraphs (1)  
10          and (2)” in the first sentence and inserting “para-  
11          graphs (1), (2), and (3)”.

12          (c) WAIVER AUTHORITY.—Section 496 of the For-  
13          eign Assistance Act of 1961 (22 U.S.C. 2293) is amended  
14          by adding at the end the following:

15          “(p) WAIVER AUTHORITY.—

16                 “(1) IN GENERAL.—The President may waive  
17                 any provision of law that earmarks, for a specified  
18                 country, organization, or purpose, funds made avail-  
19                 able to carry out this chapter if the President deter-  
20                 mines that the waiver of such provision of law would  
21                 provide increased flexibility in carrying out this  
22                 chapter.

23                 “(2) REQUIREMENT TO SUPERSEDE WAIVER  
24                 AUTHORITY.—The provisions of this subsection shall  
25                 not be superseded except by a provision of law en-



1       acted after the date of the enactment of the African  
2       Growth and Opportunity: The End of Dependency  
3       Act of 1996 which specifically repeals, modifies, or  
4       supersedes the provisions of this subsection.”.

5   **SEC. 6. UNITED STATES-SUB-SAHARA-AFRICA TRADE AND**  
6                   **ECONOMIC COOPERATION FORUM.**

7       (a) **DECLARATION OF POLICY.**—The Congress de-  
8       clares that institutionalized regular high-level meetings be-  
9       tween appropriate officials of the United States Govern-  
10      ment and officials of the governments of sub-Saharan Af-  
11      rican countries are important to foster close economic ties  
12      between the United States and sub-Saharan Africa.

13      (b) **ESTABLISHMENT.**—It is the sense of the Con-  
14      gress that not later than 12 months after the date of the  
15      enactment of this Act, the President should establish a  
16      United States-Sub-Saharan Africa Trade and Economic  
17      Cooperation Forum (hereafter in this section referred to  
18      as the “Forum”).

19      (c) **REQUIREMENTS.**—It is further the sense of the  
20      Congress that in carrying out the Forum, the President  
21      should meet the following requirements:

22           (1) The President should direct the Secretary  
23           of Commerce, the Secretary of the Treasury, the  
24           Secretary of State, and the United States Trade  
25           Representative to host the first annual meeting with

1 the counterparts of such Secretaries from the gov-  
2 ernments of sub-Saharan African countries eligible  
3 under section 4, and government officials from other  
4 appropriate countries in Africa, to discuss expanding  
5 trade and investment relations between the United  
6 States and sub-Saharan Africa and the implementa-  
7 tion of this Act.

8 (2)(A) The President should encourage United  
9 States nongovernmental organizations to host an-  
10 nual meetings with nongovernmental organizations  
11 from sub-Saharan Africa in conjunction with the an-  
12 nual meetings of the Forum for the purpose of dis-  
13 cussing the issues described in paragraph (1).

14 (B) The President should encourage United  
15 States representatives of the private sector to host  
16 annual meetings with representatives of the private  
17 sector from sub-Saharan Africa in conjunction with  
18 the annual meetings of the Forum for the purpose  
19 of discussing the issues described in paragraph (1).

20 (3) The President should, to the extent prac-  
21 ticable, meet with the heads of governments of sub-  
22 Saharan African countries eligible under section 4  
23 not less than once every two years for the purpose  
24 of discussing the issues described in paragraph (1).  
25 The first such meeting should take place not later

1       than twelve months after the date of the enactment  
2       of this Act.

3       (d) AUTHORIZATION OF APPROPRIATIONS.—There  
4       are authorized to be appropriated such sums as may be  
5       necessary to carry out this section.

6       **SEC. 7. UNITED STATES-SUB-SAHARAN AFRICA FREE**  
7               **TRADE AREA.**

8       (a) DECLARATION OF POLICY.—The Congress de-  
9       clares that a United States-Sub-Saharan Africa Free  
10      Trade Area should be established in order to serve as the  
11      catalyst for increasing trade between the United States  
12      and sub-Saharan Africa and increasing private sector de-  
13      velopment in sub-Saharan Africa.

14      (b) PLAN REQUIREMENT.—

15           (1) IN GENERAL.—The President shall develop  
16      a plan for the purpose of entering into one or more  
17      trade agreements with sub-Saharan African coun-  
18      tries eligible under section 4 in order to establish a  
19      United States-Sub-Saharan Africa Free Trade Area  
20      (hereafter in this section referred to as the “Free  
21      Trade Area”) by the year 2020.

22           (2) ELEMENTS OF PLAN.—The plan shall in-  
23      clude the following:

1           (A) The specific objectives of the United  
2 States with respect to the establishment of the  
3 Free Trade Area.

4           (B) The benefits to both the United States  
5 and sub-Saharan Africa with respect to the  
6 Free Trade Area.

7           (C) A detailed timetable for establishing  
8 the Free Trade Area.

9           (D) The role of regional and sub-regional  
10 organizations in sub-Saharan Africa with re-  
11 spect to the Free Trade Area.

12           (E) Subject matter anticipated to be cov-  
13 ered by the agreement for establishing the Free  
14 Trade Area and United States laws, programs,  
15 and policies that may be affected by the agree-  
16 ment.

17           (F) Proposals to ensure the following:

18               (i) Adequate consultation with the  
19 Congress and the private sector during the  
20 negotiation of the agreement for establish-  
21 ing the Free Trade Area.

22               (ii) Consultation with the Congress re-  
23 garding all matters relating to implementa-  
24 tion of the agreement.

1 (iii) Approval by the Congress of the  
2 agreement.

3 (c) REPORTING REQUIREMENT.—Not later than 12  
4 months after the date of the enactment of this Act, the  
5 President shall prepare and transmit to the Congress a  
6 report containing the plan developed pursuant to sub-  
7 section (b).

8 **SEC. 8. ELIMINATING TRADE BARRIERS AND ENCOURAG-**  
9 **ING EXPORTS.**

10 (a) FINDINGS.—The Congress finds that—

11 (1) the lack of competitiveness of sub-Saharan  
12 Africa in the global market, especially in the manu-  
13 facturing sector, make it a limited threat to market  
14 disruption and no threat to United States jobs; and

15 (2) annual textile and clothing exports to the  
16 United States from sub-Saharan Africa represent  
17 less than 1 percent (approximately \$350,000,000) of  
18 the \$43,000,000,000 textile and clothing market in  
19 the United States.

20 (b) SENSE OF THE CONGRESS.—It is the sense of  
21 the Congress that—

22 (1) until textile and clothing exports to the  
23 United States from sub-Saharan Africa reach much  
24 higher levels the safeguard provisions of the Agree-

1       ment on Textiles and Clothing should not apply to  
2       such textile and clothing exports; and

3               (2) pursuant to the Agreement on Textiles and  
4       Clothing the United States should eliminate the ex-  
5       isting quotas on textile and clothing exports to the  
6       United States from Kenya and Mauritius.

7       (c) DEFINITION.—For purposes of this section, the  
8       term “Agreement on Textiles and Clothing” means the  
9       Agreement on Textiles and Clothing referred to in section  
10      101(d)(4) of the Uruguay Round Agreements Act (19  
11      U.S.C. 3511(d)(4)).

12      **SEC. 9. SUPPORT FOR INITIATIVES OF EXECUTIVE BRANCH**  
13                               **IN TRADE AND DEVELOPMENT POLICY FOR**  
14                               **AFRICA.**

15       The Congress supports and encourages implementa-  
16      tion of the following initiatives included in the report of  
17      the President on trade and development policy for the  
18      countries of Africa that was submitted under section 134  
19      of the Uruguay Round Agreements Act (19 U.S.C. 3554)  
20      on February 5, 1996:

21               (1) The creation in the executive branch of a  
22      permanent African Trade and Development Coordi-  
23      nating Group, an interagency group to be chaired by  
24      the National Security Council and the National Eco-  
25      nomic Council.

1           (2) The creation of a permanent Working  
2           Group on Africa within the Trade Promotion Coordi-  
3           nating Committee of the Department of Commerce,  
4           which will have primary responsibility for overseeing  
5           the implementation of trade and investment policy  
6           for sub-Saharan Africa, and for implementation of  
7           this Act. The working group shall also be responsible  
8           for providing information to and consulting with the  
9           Congress with respect to this Act.

10          (3) Requesting the International Bank for Re-  
11          construction and Development to provide technical  
12          assistance to regional organizations and countries in  
13          sub-Saharan Africa that are interested in developing  
14          a “guide to investment regulatory procedures”.

15          (4) Support by the United States, where appro-  
16          priate, of participation by the International Bank for  
17          Reconstruction and Development and the Inter-  
18          national Finance Corporation in providing financing  
19          for participation by countries in improving the  
20          telecommunications infrastructure of sub-Saharan  
21          Africa.

22          (5) Consideration by the Export-Import Bank  
23          of the United States of making its programs avail-  
24          able to support a project in sub-Saharan Africa that  
25          extracts minerals for export even in a country that

1 does not meet the Bank's criteria for credit worthi-  
2 ness, if the project is in the private sector and if an  
3 escrow account can be established to ensure the re-  
4 payment of loans provided with the Bank's support.

5 (6) The continued availability of the programs  
6 of the Export-Import Bank of the United States to  
7 support credit worthy infrastructure projects in sub-  
8 Saharan Africa.

9 (7) Consideration by the Export-Import Bank  
10 of the United States of making its programs avail-  
11 able for infrastructure projects in sub-Saharan Afri-  
12 ca that are carried out by the private sector in coun-  
13 tries that may not meet the Bank's criteria for cred-  
14 it worthiness, if the projects are able to generate  
15 hard currency for escrow accounts to ensure the re-  
16 payment of loans provided with the Bank's support.

17 (8) The reevaluation by the Trade and Develop-  
18 ment Agency of the share of its budget allocated for  
19 feasibility studies for infrastructure projects in sub-  
20 Saharan Africa to determine if it is appropriate to  
21 increase that share.

22 (9) The increased efforts by the Overseas Pri-  
23 vate Investment Corporation to encourage United  
24 States companies to invest in the countries of sub-  
25 Saharan Africa.



1           (10) Efforts by United States embassies in the  
2           countries of sub-Saharan Africa to encourage their  
3           host governments to participate in the ongoing Ne-  
4           gotiating Group on Basic Telecommunications of the  
5           World Trade Organization in order to encourage the  
6           removal of tariff and nontariff barriers, and to fos-  
7           ter competition in, the telecommunications sector in  
8           those countries.

9           (11) Technical assistance by the Department of  
10          Energy to the countries of sub-Saharan Africa to as-  
11          sist them in adopting policies that would facilitate  
12          private investment in water and power generation.

13          (12) Amendments to the Agricultural Trade  
14          Development and Assistance Act of 1954 to be pro-  
15          posed by the Department of Agriculture to promote  
16          more direct investment in and technology transfer to  
17          the countries of sub-Saharan Africa.

18 **SEC. 10. SUB-SAHARAN AFRICA ENTERPRISE FUNDS.**

19          (a) PURPOSES.—

20               (1) IN GENERAL.—The purposes of this section  
21          are to promote—

22                       (A) the development of the private sector  
23                       in sub-Saharan Africa, including the develop-  
24                       ment of small- and medium-sized businesses,  
25                       the agricultural sector, privatization, and joint

1 ventures among sub-Saharan African businesses  
2 and between such businesses and United States  
3 businesses; and

4 (B) policies and practices conducive to the  
5 development of the private sector in sub-Saha-  
6 ran Africa through loans, grants, equity invest-  
7 ments, feasibility studies, technical assistance,  
8 insurance, loan guarantees, and other appro-  
9 priate measures.

10 (2) ADDITIONAL PURPOSES.—In addition to the  
11 purposes specified in paragraph (1)—

12 (A) the primary purpose of the Sub-Saha-  
13 ran Africa Equity Enterprise Fund designated  
14 under subsection (c)(1)(A) shall be to achieve  
15 long-term capital appreciation through equity  
16 investments in sub-Saharan Africa; and

17 (B) the primary purpose of the Sub-Saha-  
18 ran Africa Infrastructure Enterprise Fund des-  
19 ignated under subsection (c)(1)(A) shall be to  
20 achieve long-term capital appreciation through  
21 investing in financing for the expansion of busi-  
22 nesses in sub-Saharan Africa, restructurings,  
23 management buyouts and buyins, businesses  
24 with local ownership, privatizations, and other  
25 infrastructure projects in sub-Saharan Africa.

1 (b) AUTHORIZATION OF APPROPRIATIONS.—

2 (1) DIRECT LOANS AND LOAN GUARANTEES.—

3 There are authorized to be appropriated to carry out  
4 this section for fiscal year 1997—

5 (A) \$30,000,000 for the subsidy cost, as  
6 defined in section 502(5) of the Federal Credit  
7 Reform Act of 1990, of direct loans and loan  
8 guarantees provided for the Sub-Saharan Africa  
9 Equity Enterprise Fund; and

10 (B) \$30,000,000 for the subsidy cost, as  
11 defined in section 502(5) of the Federal Credit  
12 Reform Act of 1990, of direct loans and loan  
13 guarantees provided for the Sub-Saharan Africa  
14 Infrastructure Enterprise Fund.

15 (2) ADMINISTRATIVE EXPENSES.—There are  
16 authorized to be appropriated \$6,000,000 to the Ad-  
17 ministrator of the Agency for International Develop-  
18 ment for necessary administrative expenses to carry  
19 out this section for fiscal year 1997.

20 (3) AVAILABILITY.—Amounts authorized to be  
21 appropriated under this subsection are authorized to  
22 remain available until expended.

23 (c) DESIGNATION AND MANAGEMENT OF ENTER-  
24 PRISE FUNDS.—

1           (1) IN GENERAL.—The Administrator of the  
2       United States Agency for International Develop-  
3       ment—

4           (A) shall, through an open competitive bid  
5       process, enter into one or more agreements with  
6       an investment management company to des-  
7       ignate and manage two private, nonprofit orga-  
8       nizations as eligible to receive funds and sup-  
9       port pursuant to this section for the purposes  
10      specified in subsection (a) (for purposes of this  
11      section, the organizations so designated shall be  
12      referred to as the Sub-Saharan Africa Equity  
13      Enterprise Fund and the Sub-Saharan Africa  
14      Infrastructure Enterprise Fund (hereinafter in  
15      this section referred to as the “Enterprise  
16      Funds”)); and

17          (B) shall have overall responsibility for the  
18      oversight and regulation of the investment man-  
19      agement company and the Enterprise Funds.

20          (2) CONSULTATION WITH CONGRESS.—The Ad-  
21      ministrator of the United States Agency for Inter-  
22      national Development shall consult with the leader-  
23      ship of the House of Representatives and the Senate  
24      before entering into one or more contracts with an

1 investment management company pursuant to para-  
2 graph (1).

3 (3) ADVISORY BOARD.—

4 (A) ESTABLISHMENT.—The Administrator  
5 of the United States Agency for International  
6 Development shall establish an advisory board  
7 for the purpose of assisting the Administrator  
8 in carrying out this section.

9 (B) MEMBERSHIP.—The advisory board  
10 established pursuant to subparagraph (A) shall  
11 be comprised of private citizens of the United  
12 States who have extensive experience and exper-  
13 tise in those areas of private sector financing  
14 and development in sub-Saharan Africa in  
15 which the Enterprise Funds are involved.

16 (d) DIRECT LOANS AND LOAN GUARANTEES FOR  
17 ENTERPRISE FUNDS.—

18 (1) IN GENERAL.—From funds appropriated  
19 pursuant to subsection (b), the Administrator of the  
20 United States Agency for International Development  
21 shall provide direct loans to and issue loan guaran-  
22 tees for each Enterprise Fund to enable the Enter-  
23 prise Fund—

24 (A) to carry out the purposes specified in  
25 subsection (a); and

1 (B) subject to paragraph (2)(B), to pro-  
2 vide for the administrative expenses of the En-  
3 terprise Fund.

4 (2) ADDITIONAL REQUIREMENTS.—The follow-  
5 ing additional requirements shall apply to loan guar-  
6 antees under paragraph (1):

7 (A) The total principal amount of loan  
8 guarantees which may be issued under para-  
9 graph (1) shall not exceed \$100,000,000.

10 (B) An Enterprise Fund—

11 (i) may not use more than 3 percent  
12 of the amount of any loan guaranteed  
13 under paragraph (1) for administrative ex-  
14 penses of the Enterprise Fund; and

15 (ii) may not use more than 3 percent  
16 of the amount of any loan guaranteed  
17 under paragraph (1) for technical assist-  
18 ance and training activities.

19 (e) ELIGIBLE PROGRAMS AND PROJECTS.—

20 (1) IN GENERAL.—An Enterprise Fund shall  
21 use the proceeds of any direct loan or loan guaran-  
22 tee under subsection (d) to provide assistance pursu-  
23 ant to this section only for programs and projects  
24 that are consistent with the purposes specified in  
25 subsection (a).

1           (2) SPECIFIC PROGRAMS AND PROJECTS.—An  
2       Enterprise Fund may, in accordance with paragraph  
3       (1), provide for the following programs and projects:

4           (A) The establishment of Employee Stock  
5       Ownership Plans (ESOPs) in sub-Saharan Afri-  
6       ca.

7           (B) The development of indigenous credit  
8       unions in sub-Saharan Africa in accordance  
9       with the same terms and conditions applicable  
10      to the development of indigenous credit unions  
11      in Poland and Hungary under section 201(f)(3)  
12      of the Support for East European Democracy  
13      (SEED) Act of 1989 (22 U.S.C. 5421(f)(3)).

14          (C) The establishment of mutual funds for  
15      the purpose of encouraging citizens of sub-Sa-  
16      haran African countries to save and invest.

17      (f) ANNUAL REPORTS.—Not later than January 31,  
18      1998, and January 31 each subsequent year, each Enter-  
19      prise Fund shall publish an annual report that includes  
20      a comprehensive and detailed description of the oper-  
21      ations, activities, financial condition, and accomplishments  
22      of the Enterprise Fund under this section for the preced-  
23      ing fiscal year.

24      (g) ADDITIONAL TERMS AND CONDITIONS.—The fol-  
25      lowing additional terms and conditions shall apply to the

1 Enterprise Funds in the same manner as such terms and  
2 conditions apply to the Polish-American Enterprise Fund  
3 and the Hungarian-American Enterprise Fund designated  
4 under section 201 of the Support for East European De-  
5 mocracy (SEED) Act of 1989 (22 U.S.C. 5421):

6 (1) The provision relating to nonapplicability of  
7 other laws under section 201(c) of such Act.

8 (2) The provision relating to the private char-  
9 acter of the Enterprise Funds under section  
10 201(d)(5) of such Act.

11 (3) The provision relating to matters to be con-  
12 sidered by the Enterprise Funds under section  
13 201(g) of such Act.

14 (4) The provision relating to retention of inter-  
15 est under section 201(h) of such Act.

16 (5) The provision relating to the use of United  
17 States private venture capital under section 201(i)  
18 of such Act, except that, in addition to the methods  
19 for raising venture capital under such section, the  
20 Enterprise Fund may also raise venture capital from  
21 pension funds from appropriate international organi-  
22 zations, including international financial institutions  
23 such as the African Development Bank.



1           (6) The provision relating to financial instru-  
2           ments for individual investment under section 201(j)  
3           of such Act.

4           (7) The provision relating to nonapplicability of  
5           other laws under section 201(k) of such Act.

6           (8) The provision relating to limitation on pay-  
7           ments to Enterprise Fund personnel under section  
8           201(l) of such Act.

9           (9) The provision relating to independent pri-  
10          vate audits under section 201(m) of such Act.

11          (10) The provision relating to audits by the  
12          General Accounting Office under section 201(n) of  
13          such Act.

14          (11) The provision relating to recordkeeping  
15          under section 201(o) of such Act.

16 **SEC. 11. EXPORT-IMPORT BANK INITIATIVE.**

17          (a) BOARD OF DIRECTORS TO INCLUDE MEMBER  
18 WITH EXTENSIVE PRIVATE SECTOR EXPERIENCE IN  
19 SUB-SAHARAN AFRICA.—Section 3(c)(8)(B) of the Ex-  
20 port-Import Bank Act of 1945 (12 U.S.C. 635a(c)(8)(B))  
21 is amended by inserting “, and one such member shall be  
22 selected from among persons who have extensive private  
23 sector experience in sub-Saharan Africa” before the pe-  
24 riod.

1       (b) ADVISORY BOARD TO ASSIST BOARD OF DIREC-  
2 TORS IN FACILITATING ASSISTANCE TO AND INVESTMENT  
3 IN SUB-SAHARAN AFRICA.—

4           (1) IN GENERAL.—Section 3 of such Act (12  
5 U.S.C. 635a) is amended by adding at the end the  
6 following:

7       “(f) The Board of Directors shall take prompt meas-  
8 ures to increase the loan, guarantee, and insurance pro-  
9 grams, and financial commitments, of the Bank in sub-  
10 Saharan Africa, including through the establishment and  
11 use of an advisory committee to assist the Board of Direc-  
12 tors in developing and implementing policies, programs,  
13 and financial instruments designed to support the expan-  
14 sion of, and increase in, the provision of loans, guarantees,  
15 and insurance with respect to sub-Saharan Africa. In ad-  
16 dition, the advisory board shall make recommendations to  
17 the Board of Directors on how the Bank can facilitate  
18 greater support by United States commercial banks for  
19 trade and investment with and in sub-Saharan Africa.”.

20           (2) REPORTS TO THE CONGRESS.—Within 6  
21 months after the date of the enactment of this Act,  
22 and annually for each of the 4 years thereafter, the  
23 Board of Directors shall submit to the Congress a  
24 report on the steps that the Board has taken to im-  
25 plement section 3(f) of the Export-Import Bank Act

1 of 1945 and any recommendations of the advisory  
2 board established pursuant to such section.

3 **SEC. 12. ESTABLISHMENT OF ASSISTANT UNITED STATES**  
4 **TRADE REPRESENTATIVE FOR SUB-SAHARAN**  
5 **AFRICA.**

6 It is the sense of the Congress that—

7 (1) the President should establish a position of  
8 Assistant United States Trade Representative within  
9 the Office of the United States Trade Representative  
10 to focus on trade issues relating to sub-Saharan Af-  
11 rica; and

12 (2) such Assistant United States Trade Rep-  
13 resentative should have adequate funding and staff  
14 to carry out the duties described in paragraph (1).

15 **SEC. 13. REPORTING REQUIREMENT.**

16 The President shall submit to the Congress, not later  
17 than 1 year after the date of the enactment of this Act,  
18 and not later than the end of each of the next four 1-  
19 year periods thereafter, a report on the implementation  
20 of this Act.

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